

Rajagiri College Of Social Sciences

January 28, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	49.04 (Reduced from 75.74)	CARE BB+; Stable	Reaffirmed
Short Term Bank Facilities	29.00 (Enhanced from 23.00)	CARE A4+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to the bank facilities of Rajagiri College of Social Sciences (RCSS) continue to be constrained by the relatively moderate scale of operations, moderate capital structure and debt protection metrics, project risk associated with the ongoing large debt-funded capex and competitive and regulated challenges in educational sector. The ratings, however, derive strength from long-standing track record of operations of the college, well-established parent 'Carmelites of Mary Immaculate' (CMI) congregation and comfortable enrolment ratios.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Ability to scale up the operations with total operating income above Rs.80.0 crore while maintaining SBID margin above 25.00%
- Ability to improve overall gearing ratio below unity

Negative factors

- Reduction in enrolment levels leading to drop in income below Rs.40.0 crore on sustained basis
- Any cost overrun in ongoing capex resulting in increase in overall gearing ratio above 1.80x

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects that the society is expected to maintain its operational performance with healthy enrolment levels supported by the recognized image of the Institutions and established and resourceful parentage.

Detailed description of key rating drivers:

Key weaknesses

Relatively moderate scale of operation:

RCSS offers 23 courses in undergraduate, postgraduate, postgraduate diploma and Ph.D. under eight departments. The scale of operations stood relatively moderate with total operating income of ₹76.09 crore in FY25 (refers to period from April 01 to March 31) albeit improved from ₹71.26 crore in FY24 by 7% on account of improved enrolment ratio. RCSS reported income of ₹77.43 crore during 9MFY26 (refers to period from April 01 to December 31). The profitability of the trust stood moderate with SBID margins of 13.79% in FY25 (PY:19.92%) due to increased employee costs.

Moderate capital structure and protection metrics:

The capital structure remained moderate, however improved marginally with overall gearing at 0.98x as on March 31, 2025 (PY: 1.08x). The debt protection metrics also stood moderate with total debt to gross cash accruals TD/GCA at 5.40x as on March 31, 2025 as against 3.65x as on March 31, 2024. The capital structure is expected to continue remain moderate on account of the ongoing large debt funded capex spanned over the next year.

Large debt funded capex:

RCSS is undergoing large debt funded capex at the total cost of ₹58.06 crore funded by term loans of Rs.40 crore and rest by accruals and liquid funds. The project encompasses the construction of hostels, classrooms, staffrooms, a library, and computer and science laboratories, collectively designed to accommodate around 1,500 students. By December 2025, the society had completed the hostel facilities, incurring ₹29.75 crore in expenses—of which ₹12 crore was funded through term loans and the

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

remainder through accruals. Given the relatively moderate net worth base and the large project size (147% of network as on March 31, 2025), the ability of the trust to successfully complete the project without any cost or time overrun remains a key to its prospects.

Highly regulated and competitive nature of industry:

Higher education sector is one of the highly regulated sectors with both state and central government regulating the industry directly and/or indirectly through various bodies including UGC (University Grants Commission) and AICTE (All India Council for Technical Education). The education sector is also highly fragmented with the presence of large number of players due to high growth opportunities. Owing to high margins and low entry barrier, the number of educational institution is growing every year. Furthermore, the Central Government is also encouraging private sector participation in the education sector which would further intensify the level of competition for RCSS. However, RCSS has been able to sustain healthy enrolment ratio for the various courses.

Key strengths**Established parent and experienced management:**

RCSS is managed by Carmelites of Mary Immaculate (CMI), which is the first indigenous religious congregation in the Catholic Church of India, formed in 1855. The CMI group has set up various educational institutions all over India and is successfully running over 480 educational institutions, from Kindergarten to Medical College, including Christ University (Bangalore), Rajagiri Group of Institutions (Kochi), Amala Medical College (Thrissur), and SH College (Kochi), Rajagiri Healthcare and Education Trust etc. The Management Council is established in pursuance of the memorandum under the Societies Registration Act (XXI of 1860). RCSS is managed by the Trust Board consisting of highly skilled and experienced professionals in Education and allied areas.

Long standing track record of operations:

The college was established in 1955 as a professional social work educational institution offering Diploma in Social Service. The College then started under the University of Madras and after 1986 affiliated to MG University, Kottayam. The college has received Autonomous Status by University Grants Commission (UGC), New Delhi from June 13, 2014 which is extended till the academic year 2029-30. The MBA and MCA programmes are approved by All India Council for Technical Education (AICTE). The college has National Assessment And Accreditation Council (NAAC) accreditation A++ Grade with CGPA 3.83/4 which is the highest grade provided by NAAC, and valid till 2028.

Comfortable enrolment ratio with various courses:

RCSS offers 23 programmes including MBA, PGDM, BCOM, BBA, MCA and various other courses. The enrolment ratio stood comfortable across all the major revenue generating courses. The enrolment ratio in commerce, psychology, computer science, business administration and social work stood healthy in the range of 90-100% for past three academic years ending AY2025-26.

Liquidity: Stretched

The liquidity is stretched characterised by expected tightly matched cash accruals in FY25 against the expected repayment obligations of ₹6 crore in FY26. The operating cycle of the college stands comfortable at 3 days in FY25 (PY: 3 days). The collection period also stood comfortable at 3 days in FY25 (PY:3 days). The free cash balance stood at Rs.8.97 crore as on March 31, 2025. The college is sanctioned with working capital limits of Rs.29.0 crore and the average utilization stood at around 75% for past 12 months ending December 2025. The current ratio stood at 0.40x as March 31, 2025 (PY: 0.46x) owing to low inventory and receivable outstanding and also higher advance fee received from students.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Education](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Services	Other Consumer Services	Education

Rajagiri College of Social Sciences (RCSS) is registered under the Travancore-Cochin Literary, Scientific & Charitable Societies Registration Act XII of 1955. It runs a college is located at Kalamasery, Kerala, with two campuses namely- The Hill Campus at Kalamasery, Kerala and The Valley Campus at Kochi, Kerala. The College offers 23 Programmes (Graduate, Postgraduate, Postgraduate Diploma and PhD) in Commerce, Social works, Computer Applications, Business administration, Library and Information Sciences etc. RCSS is promoted by CMI Congregation, a very old and first indigenous religious congregation in the Catholic Church of India setup in 1855.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	71.26	76.09	77.43
SBID*	14.20	10.50	NA
Surplus	5.71	1.53	NA
Overall gearing (x)	1.08	0.98	NA
Interest coverage (x)	4.01	2.76	NA

A: Audited UA: Unaudited NA: Not Available; Note: these are latest available financial results

*SBID: Surplus before interest and depreciation

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	September 2034	49.04	CARE BB+; Stable
Fund-based - ST-Bank Overdraft		-	-	-	29.00	CARE A4+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	49.04	CARE BB+; Stable	-	1)CARE BB+; Stable (06-Dec-24)	1)CARE BB+; Stable (13-Nov-23)	-
2	Fund-based - ST-Bank Overdraft	ST	29.00	CARE A4+	-	1)CARE A4+ (06-Dec-24)	1)CARE A4+ (13-Nov-23)	-

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-Bank Overdraft	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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